BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

DOCKET NO. 2007-243-WS - ORDER NO. 2009-472

JULY 14, 2009

IN RE:	Application of Harbor Island Utilities, Inc.)	ORDER APPROVING
	for Approval of a New Schedule of Rates and)	PASS THROUGH
	Charges for Water and Sewer Service)	INCREASE FOR WATER
	Provided to Residential and Commercial)	TRANSPORTATION
	Customers in Harbor Island, Beaufort County)	

This matter comes before the Public Service Commission of South Carolina (the Commission) on the request of Harbor Island Utilities, Inc. ("Harbor Island" or the "Company") for review and approval, effective July 1, 2009, of an increase in the Company's rate for water to its customers as a result of an increase in the transportation fee for water that it purchases from Fripp Island Public Service District ("FIPSD"). The request is submitted pursuant to the measures set forth in the settlement agreement approved by the Commission by Order No. 2007-888, dated December 18, 2007. In the settlement agreement, the parties (South Carolina Office of Regulatory Staff and Harbor Island) agreed that Harbor Island may pass through increased costs it incurred pursuant to its contracts with Beaufort-Jasper Water & Sewer Authority and Fripp Island Public Service District. However, the increases are subject to the Commission being provided with satisfactory proof of the basis for the adjustments and sufficient notice to customers as set out in Harbor Island's revised application.

In the present matter, the Company is proposing to increase the rate for water to its customers in the amount of \$0.01 per thousand gallons, the identical amount of the

increase in the Company's cost of water imposed by FIPSD. In support of the request,

Harbor Island enclosed a copy of a letter from Marion E. Wilson, Manager of FIPSD,

outlining the basis for the request and including the current rate and the proposed new

rate. Harbor Island states that it will furnish thirty (30) days written notice to its

customers of the amount of the adjustment in the bills the Company sends in mid-July.

We have reviewed the proposal. Harbor Island was not able to give this

Commission sixty (60) days notice of the increase, due to the fact that notification of the

amount of the increase from FIPSD was not issued until June 10, 2009. Otherwise,

Harbor Island complied with the procedure for submitting rate increases due to increases

the Company incurs pursuant to its contract with FIPSD. Furthermore, the South

Carolina Office of Regulatory Staff, by letter filed July 6, 2009, advises the Commission

that it has no objection to Harbor Island's request. Accordingly, we approve the request

as filed. Harbor Island shall furnish thirty (30) days notice of the increase to its

customers as outlined in its request.

This Order shall remain in full force and effect until further order of the

Commission.

BY ORDER OF THE COMMISSION:

Elizabeth B. Fleming, Chairman

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ATTEST:

John E. Howard, Vice Chairman

(SEAL)